

# Foundations On-Demand Title Essentials



## Answer Me!

### Introduction

**Q:** Define what title means in a real estate transaction?

**A:** It's a document that you will receive and be required to sign.

**Q:** What does title give you the right to do?

**A:** It gives the person the right to ownership of a certain piece of real estate property.

### Pre-Closing Process

**Q:** Who are Closing Agents and what else may they be referred to as?

**A:** They conduct the closing or settlement of a home purchase or refinance transaction. Also known as representative of a title company, an escrow agent, settlement agent, or real estate attorney.

**Q:** Which party or parties can select the Closing Agent?

**A:** Real estate professionals or the borrower, subject to reasonable lender requirements

**Q:** What are five common ways Title can be held?

**A:** 1. Sole Ownership; 2. Joint Tenancy, 3. Tenancy in Common, 4. Tenancy by the Entirety, 5. Community Property

**Q:** What are the two types of Title Insurance that can be purchased? Indicate whether it is required or optional.

**A:** 1. Lenders – Required 2. Owners – Optional

**Q:** Describe what a Title Search is:

**A:** An examination of public records to confirm a property's legal ownership and find out what claims or liens are on the property.

**Q:** What is a Lien? Provide an example of a Lien:

**A:** Legal claims against a property that gives creditors stake in the property and a way to collect debts owed. Example: A contractor files a lien for work performed that was never paid.

**Q:** What is a Certificate of Title?

**A:** A document that identifies the current vested owner's and shows how impactful exceptions to coverage were resolved prior to closing.

**Q:** What is a Title Insurance Commitment?

**A:** A document containing the offer and overview of the key parts of the policy and the property, as well as the title company's 'commitment' to issue Title Insurance after closing.



### Closing Process

**Q:** What is a Signing Agent and what do they ensure happens at the closing?

**A:** This is the person that meets with the borrower on the actual closing day. They ensure all the loan and title documents are executed and signed by the borrower, witness signatures, collects funds, and ensures paperwork is file correctly, notarized and processed on time.

**Q:** How many days in advance must the Closing Disclosure Form be received for final review?

**A:** Three business days prior to closing.

**Q:** What is the term used to describe a borrower's right to cancel a refinance transaction?

**A:** Right of Rescission

### Post-Closing Process

**Q:** What is the Recording?

**A:** The title company puts a real estate document into the official records at the County Recorders or Recorder of Deeds Office where the property is located.

**Q:** What is the Recorder of Deeds?

**A:** A local government office that maintains records and documents relating to the real estate ownership.

**Q:** What is the highest evidence of ownership to a property?

**A:** Deed